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(FOLEY LARD MIL)

July 25, 1979

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Public Service Commission of Wisconsin
Hill Farms State Office Building
4802 Sheboygan Avenue
Madison, Wisconsin 53702

Re: Wisconsin Electric Power Company, et al.
PSCW Docket No. 05-CE-3
(Haven Proceeding)
Motion to Dismiss Application or to
Cease Expensing Capital Carrying Charges

Gentlemen:

The Joint Applicants for the Haven Nuclear Plant submit these brief comments in response to the letter from Wisconsin's Environmental Decade, Inc. ("Decade") to the Commission dated July 5, 1979. That letter supplemented Decade's earlier motion to dismiss the Haven application or to cease expensing capital carrying charges.

We respectfully submit that Decade is mistaken as to both the facts and the law.

Decade makes two assertions arising out of the Joint Applicants' most recent Expenditure and Commitment Report, dated June 29, 1979. Based upon the fact that this report shows expenditures of \$333,625.00 during the month of May, Decade concludes that:

1. The Joint Applicants have not made a good faith effort to reduce Haven expenditures to the minimum practical, contrary to the Applicants' letter of June 8, 1979 to the Commission; and

2. Expenditures will continue at the same monthly rate for the next two years, resulting in the expenditure of an additional \$8,000,000.00.

Both conclusions are erroneous. The expenditures shown in the Expenditure and Commitment Report do not reflect the current level of activity, which the Applicants have reduced to a bare minimum. The reported expenditures

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to the contrary, there will be no additional contractual liability incurred while the project remains in its current status.

In light of these facts, the Joint Applicants respectfully submit that they have in fact reduced expenditures to the minimum consistent with the approved Advance Plan. It is also clear that the Joint Applicants will not spend \$333,000.00 per month or any figure remotely close to that on the Haven application while the application remains in its present status.


Decade also asserts in its letter that Mr. Huebner of the Commission staff is in effect an adverse party to Decade, and that the parties should be given an opportunity to reply informally to any advice Mr. Huebner may give the Commission regarding the treatment of carrying charges. The Joint Applicants would oppose any such "informal" procedures for a party, which are without foundation in the law. If the parties are allowed to respond, they should be given the opportunity to do so after normal notice and opportunity to participate--and the docket for that procedure, as the Joint Applicants have previously pointed out, would be in an appropriate rate proceeding.

For the reasons set forth above, as well as the reasons set forth in the memorandum which the Joint Applicants have previously submitted, it is respectfully urged that Decade's motion be denied.

Very truly yours,

FOLEY & LARDNER
Attorneys for the Joint
Applicants

By


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AFFIDAVIT OF MAILING

STATE OF WISCONSIN)
) SS.
COUNTY OF MILWAUKEE)

DIANNE M. KLOMAN, being first duly sworn on oath deposes and says that she is an employee of the law firm of Foley & Lardner; that on the 25th day of July, 1979, she deposited in the United States mail at Milwaukee, Wisconsin, a copy of a letter to the Public Service Commission of Wisconsin under date of July 25, 1979, as attached hereto, securely enclosed in an envelope, the postage duly prepaid, and addressed to the persons at the addreseses as stated on the Exhibit A attached hereto.

DIANNE M. KLOMAN

Subscribed and sworn to before me
this 25th day of July, 1979.

NOTARY PUBLIC, State of Wisconsin
Milwaukee County
My Commission: _____

SERVICE LIST
HAVEN NUCLEAR PLANT - DOCKET 05-CE-3

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Attention: Mr. Olan D. Parr, Chief
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